

## MANAGEMENT OBJECTIVE PROBLEM

### 1. Background

The L&M Manufacturing Company has an organizational structure ranging from the Chairman of the Board, at the top, to special functional units at the bottom. The Vice President for Administration and Management has sent an inter-office memorandum to his Chief, Storage Division. A portion of that memorandum is quoted below:

"Employee accidents in the Storage Division during calendar year 1974 reached a total of 86, ranging in severity from those requiring only first aid and return to work, to those requiring hospitalization. One hundred and twenty-nine (129) man days were lost in your division during 1974 as a result of those accidents. While it is the desire of our entire company to reduce accidents to zero, we know that, realistically, that is not possible. We believe it is possible, however, that through a strengthening of our safety program, through indoctrination of personnel, and through the development of greater employee concern, the accident rate in your division can be reduced by at least 50 percent in calendar year 1975, and by at least 50 percent each year thereafter, until the rate approaches or, hopefully, reaches zero. . . ."

### 2. Study Group Actions

- a. Determine the management objective (goal).
- b. Write a statement describing that objective.
- c. Write an action plan, with milestones which will track and measure what you wish to accomplish during calendar year 1975, with a completion target date assigned to each.

d. Prepare flip chart(s) containing the above information for use during your oral presentation.

3. Questions to be Considered in Your Problem Solution

a. Do you think you have developed a good objective in 2.a.b. and c. from the standpoint of its being measurable by: (1) progress in accomplishment, (2) results (i.e., dollar savings, manpower savings, increased efficiencies, etc.)? If it is measurable, is it also manageable?

b. What is the highest level of management that should be concerned with the objective? The lowest? What is your reasoning for establishing the hierarchy of management concern that you did?

c. Do your milestones involve all of the levels of management which you identified in response to question 3.b.?

d. Are your milestones clear and meaningful so that anyone inside or outside of the company can understand your goal and how you plan to get there?

e. Do your milestones follow a logical sequence of events, or actions to be taken, at each of the levels of management which you chose?

f. How deeply will the chosen lowest level of management become involved in accomplishing the milestones as you have stated them? The highest?

g. How do you propose to keep all levels of management involved in the accomplishment of your objective?

h. What methods of status feedback to management will you employ? How frequently?

i. Identify the levels of management to which that feedback will go.

j. Assuming that you accomplish your calendar year 1975 objective on schedule, how do you propose to ensure a continuation of the results or benefits?

k. Aside from the fact that you will strive to reduce accidents each ensuing year until the rate is near or at zero, does your objective suggest other concurrent or follow-on objectives which the company might adopt to strengthen yours?

Note: The questions above are designed to assist your study team in developing your objective statement and the action plan for its accomplishment. However, so that the other members of the conference might have a better appreciation for the rationale of your problem solution, it is suggested that your oral presentation address at least the following questions: 3.b., 3.c., 3.g., 3.h., 3.i., and 3.j. Feel free to address all, or any, of the remaining ones if you choose.

TEAM MONITOR

Some Problem Results or Reactions to Look For

1. Degree of difficulty the team had in sorting out and formulating its objective statement.
2. Did the team see "strengthening of safety program," "indoctrination of personnel," and "developing employee concern," or some combination thereof, as milestones within a large objective of "accident reduction" or did it break those steps out into separate objectives?
3. Did the team add any new steps which it felt are related to those in 2 above?
4. If the team used steps in 2 or 3 as milestone subjects, did it break each of those subjects down into logical steps of their own?
5. Did the team look at its objective as being only a division-level concern, or some other level(s) of primary concern?
6. Degree of difficulty the team had in defining milestones? In logically ordering those milestones?
7. Regarding the interaction and contribution of team members, was there participation by everyone, only a few, or primarily one leader?
8. Degree of debate on language, detail, scope, or definition of the objective and its milestones.